

# INSIGHT on Coinage

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EDITORIAL

Number 21

This Spring is truly a time for NEW BEGINNINGS. I have recently accepted an invitation to serve as Chief of the Photo Certified Coin Institute's (PCI) Authentication and Grading Lab in Chattanooga, Tennessee. Although I moved soon after the new year, I have been too busy with the work at PCI to unpack!

After starting on the ground floor with ANACS and then INS, I never thought that I would take up the challenge of helping build yet another grading and authentication service. It's something no sane person would aspire to; twelve to fourteen hour days, six days a week, customer service calls, endless detail, etc. Nevertheless, all it took to convince me to give up a peaceful life as a writer and horseman was the large volume of coins of every description that I would get to see daily at PCI plus the opportunity to see what's going on in the numismatic industry. Except for the lower prices coupled with much stricter grading standards, there have been few changes. The same large volume dealers are selling much the same overgraded material - but in quantities I had never realized. Now, once again, I'll be in a better position to shake-up these "Good Ol'Boys" with consumer education.

While at P.C.I., I'll continue to conduct my grading and authentication seminars, publish this newsletter, and administer the Institute's Correspondence Courses. More importantly, I will continue to call a spade a spade. If P.C.I. or any of the other third-party grading services makes an error which can be used as a teaching tool, you'll read about it here. I should be able to get settled soon and get back to my regular publication schedule.

In this issue, I'll conclude my article about developing the Die Scratch Method of Coin Authentication and also provide additional evidence why you should not believe everything you read in print, even by the experts. There is still much to be learned in numismatics - by all of us.

## TOO HOT TO HANDLE

I wish to correct a misconception among the experts and specifically disagree with some information which was printed in the November 1992 Issue of the Numismatist magazine. David Lange wrote an article concerning the newly discovered 1927 Proof Buffalo Nickels. In that article, one of the criteria given to prove that these coins are truly specimen strikes (Figure 1) appeared in a letter of authenticity by Walter Breen. Breen writes that the

diagonal line on the flat rim of the reverse is in the original die from which hubs and working dies came and that no business strikes are brought up enough in strike to show it. This is incorrect! Since the incused diagonal line results from a defect in a stage of die production, my research has shown that it is also found on some business strike coins. Therefore, it is NOT an exclusive diagnostic marker which is characteristic of Proof Buffalo nickels. I have spoken to Walter about this in the past while showing him two well-struck Uncirculated Buffalo nickels from both the San Francisco and the Philadelphia Mints with this diagonal feature on their reverse rim. Additionally, this characteristic is often found on fully struck coins dated in the teens. I own business strike nickels dated in the thirties with this marker.

Figure 1

"Marker" at the 7 o'clock position of the reverse rim on Proof Buffalo nickel coins.



I also believe that retired Proof dies were used to strike coins for circulation. This was done at many times in the past and may account for some of the business strike Buffalo nickels which have this "diagnostic". Recently I examined a 1916-D nickel struck with obverse dies which matched those of the 1916 Proof. I believe this was also the case in 1915.

NOTE: Apparently this article was not TOO HOT TO HANDLE. Parts of it were just published in the Numismatist as this issue of Insight was completed. I am very sorry at the passing of Walter Breen and had looked forward to his reply in this regard. I'll assume his opinion on the "marker" was written before my research was known to him. HE WILL BE MISSED!

#### ADVICE AND DISSENT

Earlier this year, see Insight on Coinage #20, I began to relate the circumstances of how I developed the Die Scratch Method of Coin Authentication in the early 1970's. I had been taught that

die polishing marks on a coin were a sign that it was genuine since these types of marks would not appear on cast counterfeit coins. Large cent collectors also made use of these microscopic raised lines to record die varieties and the die condition of coins.

Readers will remember that soon after joining ANACS, I discovered a small group of very low grade 1893-S Morgan dollars which had been held at the Service for several months without resolution. As I assumed the challenge for the authentication of these coins, the magnitude of the problem became apparent! My comparison of these low grade 1893-S coins with each other and with an AU example had failed to establish if they were authentic ...

One evening, while away from the office, I thought I'd try a new approach. Rather than finding a die characteristic on the higher grade coin and looking for the same mark on the low grade coins - a waste of time so far because it was always worn away. I would search for something on the low grade coins to match on the About Uncirculated genuine dollar. Later, as I began to work with the actual coins, this method seemed as useless as the former. Even the position of the date in relation to the denticles could not be seen on most of the coins due to wear from very heavy circulation. The design recesses (which were filled with black dirt) and the coin's edges were the only areas of the circulated coins which remained for examination!

Follow closely now as the mystery of the 1893-S dollars began to unravel for me. There were two big surprises yet to come.

Next, I began to count the edge reeding of the genuine AU dollar. The raised ridges result during striking as the planchet metal is squeezed outward into the machined grooves of the collar. In many cases, a coin can be authenticated by the number of reeds on its edge (See MICROSCOPICALLY SPEAKING). Then, I counted the number of reeds on each of the unknown coins which had a complete undamaged rim remaining and identified two different edge counts. I could then separate the questionable dollars into two groups, those with the same reed count as the genuine 93-S, and those struck with a different collar. This was getting easy, I thought.

Now I focused my attention to the dirty surface cavities of the coins with the identical reeding of the high grade genuine coin. The most obvious area affected least by the heavy wear was the incused lettering L-I-B-E-R-T-Y on the headband. This area was uniformly cruddy and black on the VG coin I had picked to examine. I gently dissolved much of the "waxy" dirt away with an application of acetone. Then, after placing the coin under the microscope, I observed what appeared to be two lumps of metal inside the left base of the "R". At first glance it looked like the surface damage one would expect to see around the edge of a small gouge. Since this was the only mark of any kind I could find at high power, I reluctantly picked up the high grade 93-S coin. To my amazement, THE SAME MARK WAS THERE! Quickly I grabbed the VG coin and looked at the mark while switching back and forth to the AU coin. It was the same. On the high grade 93-S coin this new diagnostic "marker" resembled the ears of the Playboy Bunny trademark (hence its name: Rabbit Ear "R" marker). Now, I had a match and was able to find more diagnostics. Then, I turned my attention to another of the very worn 1893-S coins and found the Rabbit Ear marker on it after

some slight cleaning  
of the headband.

Figure 3  
Recut numeral three  
found on some 1893-P  
Morgan dollars.



Figure 2



Die Scratch diagnostic markers in Liberty's  
headband on genuine 1893-S Morgan dollars.

This comparison along with an identical reed count was all that was needed to convince me that at least two of the low grade coins were genuine. They would receive ANACS Certification. Remember too, at no time did I look for "style" similarities such as the position of the numeral one in the date because as I have said, this was an archaic method to me and most of the low grade coins had no clearly defined denticles anyway!

As with many discoveries, once a break-through occurs, the rest of the work becomes much easier as things fall into place. One more important test was left before I knew my Rabbit Ear "R" would be as valuable to authentication as I had hoped. I had to prove that this marker was a characteristic unique to only 1893-S obverse dies and did not appear on any of the obverse dies used at the other Mints during 1893. From previous notes on Morgan dollars at the Lab, it looked like this would be the case and my "marker" would prove useful. I decided to check the Van Allen/Mallis book on silver dollars for any information on the 1893-P and 1893-O coins. That's when I got SURPRISE NUMBER ONE! Right there for everyone to see (if they had looked) was a picture of an 1893-P Morgan dollar with a double cut at the top of the numeral three. BINGO! One of the very worn 93-S coins I was examining, which had been held several months at ANACS, had the double cut three and its reed count was different from the genuine 93-S coins. Therefore, I knew it was an 1893-P coin with an added S mintmark.

Now there remained one more low grade "mystery" coin to examine in the group of coins with an incorrect number of reeds. SURPRISE NUMBER TWO! This coin had no double cut three in the date. More importantly, it had the Rabbit Ear "R"! Up until this time, it was believed that all genuine 1893-S dollars were struck with the same collar giving 187 raised reeds to the edge of the struck coin. Research has proved this to be incorrect despite published information in silver dollar reference books. In this issue of Insight, you'll learn that at least two different collars were used at the San Francisco Mint for dollars that year.

The ANACS Director finally took the group of dollars to be tested for trace metals of solder around the mintmarks to confirm my findings. The double cut three coin proved to have an added mintmark while the others were judged to be genuine. Only one obverse die and two reverse dies were used to strike the 1893-S coins which is why all the genuine coins had the Rabbit Ear marker. It became our main diagnostic for these coins.

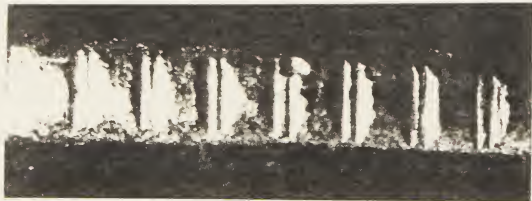
Since the incused letters of Liberty proved to be one of the last areas on Morgan dollar coins to be worn away by circulation, from that day on, I kept records of the die polishing marks found there and in other locations. I also began to use this new Die Scratch Authentication Method for other coins - practically every coin sent to ANACS for authentication! Now, in addition to indicating that a coin was die struck, these scratches could be used to identify the specific date and mint of coins from either side!

Postscript: Just one cruel twist of irony will complete my tale about the Die Scratch Method and diagnostic markers. About a year after my discovery, as I was instructing John Hunter, a new ANACS authenticator, how to authenticate 93-S dollars by using the Rabbit Ears marker, he noticed the diagonal die scratch in the top of the "T" of "Liberty" (See Figure 2). I replied that the diagonal die scratch was also a diagnostic for the die; but it was not as easy to see, and was even missing on the very low grade coins that ANACS previously could not authenticate. That's why we didn't use it or recommend it. Yet today, whenever reading about authenticating 1893-S Morgans, no one mentions the Rabbit Ear, only the diagonal die scratch in the "T"!

#### MICROSCOPICALLY SPEAKING

In 1972, as I was being instructed in the "style" method of authentication at ANACS, the thought occurred to me that I might be able to authenticate Indian half and quarter eagle coins by the style of their edges. These coins have reeded edges which are produced during striking as the planchet metal is pushed out into the grooves of a retaining collar in the coining press. I did some research into this area for a few months but decided this method was not reliable since I could not authenticate a coin by viewing its edge only. However, one observation I did make was that the edges of genuine coins were less uniform than those of struck counterfeits. This lack of uniformity occurs along the length of the grooves rather than with their spacing as one side of the planchet was often forced deeper into the collar than the other.

Irregular  
reeading of  
genuine edge.



Actually, the number of reeds on the edge of a coin turned out to be much more useful for authentication than anticipated. The members of the Seated Liberty Collectors Club have done extensive work in their series already. Also a number of new books contain reeding counts for specific date coins of other types.

I must caution you that some of this information is either incomplete or inaccurate for many series of coins such as Morgan dollars. There is ONLY one correct way to count the reeding on the edge of a coin: one-at-a-time while using a stereo microscope! I don't recommend any other method although many have been proposed. Perhaps the alternative methods have resulted in the inaccurate counts. I KNOW, everyone is not fortunate enough to have use of a microscope but you can do it the correct way or ...

Earlier in this issue I related that according to U.S. Mint records, one obverse and two reverse dies were used to make 1893-S Morgan dollars. My research has shown that at least two collars with different reed counts were also used. This is contrary to published information. Don't take my word for this. Go out and see for yourself. Check the edges of 1893-S Dollars - if you can find one not in a plastic slab - that's applied numismatics. You may be lucky enough to discover one of the 1893-S coins struck in the broken collar such as I examined years ago while at another authentication lab. The coin was so ugly and over-cleaned that at first we thought it was a cast counterfeit made from a collapsed mold with a seam around part of the edge. Its surfaces were covered with black shoe polish to hide the impact damage and scratches which the coin had received previously. It's unfortunate that I do not have the diagnostic records which I made for that coin, so I don't remember its reed count. The coin was genuine. The collar started to crack on the left side of the reverse, adjacent to the word "United". It was changed soon after. It would be interesting to see which collar was used first, the one with 187 reeds or the one with 190. Since the reprint of the Van Allen/Mallis Silver Dollar Encyclopedia lists 187 reeds for the 93-S you might think that this is the more common variety; however, most 93-S dollars have 190 reeds. Also, the possibility exists that a collar having 182 reeds was sent to San Francisco from the New Orleans Mint and was used with some of the 1893-S coins!

#### MARKET NOTES

There is a new product for cleaning coins on the market, it's called MS-70. This writer has not actually tested the product BUT P-L-E-A-S-E do not follow the directions on the side of the container. You're told to carefully apply the product with a Q-Tip, let it work for a while and then gently RUB the surface of your coin with a fresh Q-Tip dipped into the solution. I'll guarantee that if the majority of users follow these instructions, they will leave evidence of cleaning in the form of hairline scratches all over the surface of their coins!

There is only one correct way to apply cleaning products to coins with a Q-Tip and it does not involve rubbing. First, be sure the Q-Tip is fresh and clean - don't skimp on quality. I keep mine

in a closed container just as if they were sterilized instruments. Next, dip one end into the cleaning liquid and keep it there for a few seconds until the cotton is completely saturated and all the air bubbles have stopped rising to the surface. Place the soaked (practically dripping) part of the Q-Tip on the surface of the coin and R-O-L-L it across the coin's surface. If it's necessary to repeat the operation, use the other clean end of the Q-Tip.

Perhaps I'll be able to do a product test on MS-70 in a future article. In any case, you'll want to experiment with many different concentrations of any cleaning solution you choose.

\* \* \*

At this time, there are only four popular third-party grading services: PCGS, NGC, ANACS, and PCI. If we remove one of the services from this study (their grading is usually +1 point over the other three), a generalized pattern emerges which can be inferred from the percentages shown in the Coin Dealer Newsletter family of publications. The grading done by the three remaining services is fairly consistent for many of the MS grades. In the MS-66 grade, a graph of "crack-out" coins submitted between these three services would look like this:

MS-67  
MS-66  
MS-65



Very few upgrades to MS-67, a few downgrades to MS-65, but most coins remaining right at MS-66. At the MS-65 level there is more action. There appears to be more upgrades than downgrades to MS-64 yet the vast majority of coins will remain at the same grade; but this assumes you are resubmitting Premium Quality/high-end coins.

MS-66  
MS-65  
MS-64



There are signs that the coin market is warming. If you regularly buy MS-65 or MS-66 coins, you may want to get more now while they are low priced and there is agreement as to what an MS-65 or MS-66 coin should look like (practically perfect). Certified coins are cheap; BUT, unless you really know how to grade, don't buy any of the certified coins from the discounted services - no matter how long they have been in business - UNLESS you personally feel that the coin inside the slab warrants the grade and can be crossed-over or upgraded (taken out of one company's holder and submitted for the same or higher grade at another company). Remember, anyone with money for advertising and equipment can start a grading service. Anyone can also grade so conservatively that collectors and dealers will fight to buy their coins yet no one will use the service! The "key" to proper coin grading is to CONSISTENTLY grade coins at the maximum level they deserve, being fair to the dealer, the collector, and the coin - without being so liberal as to lose credibility (and a trading percentage) in the marketplace. Recently, a knowledgeable seventy-eight year old coin

collector in South Philadelphia (Italian of course!) who has bought and sold a fair amount of coins in his time explained it for me very simply: When he sells coins and none are returned as being overgraded, he begins to worry. Is he undergrading the coins? For this reason, he is much more comfortable when he gets a coin returned every now and then. This tells him he is just "pushing-the-line".

#### There Is Still Time

My grandson looked with wonder at the large gold coin I handed him in the plastic case. I told him if he held it's container just right, he would eliminate the reflection from the plastic and be able to see the warm golden glow from the coin's cartwheel luster. As he did so, the beauty of Saint-Gaudens' figure of Miss Liberty held him charmed as a cobra weaving before its master. Unfortunately, neither my grandson nor many others of his generation, would ever know the feeling of solidness and pride in their country that the heft of a twenty dollar gold coin could inspire. All he would ever feel is the cool, tackiness of plastic. Such is a slab. Why not visit a coin shop or show while prices are still relatively low and there are still some unslabbed "Saints" a youngster can hold. He may catch the collecting bug just as I did.

#### COMING

The Institute for Applied Numismatics will be holding weekend coin seminars around the country again as time permits. Locations planned for this summer are Rochester, NY; Bristol, RI; and Chattanooga, TN. If you would like to participate, please contact me at (800) 277-2646. I'll be attending the Central States Convention on May 20-23; the BRNA & TSNA Show in Dalton, GA on July 9-11; the ANS Show in Birmingham, AL on July 15-17; and the ANA in Baltimore. I look forward to meeting with and doing some "hands-on" coin examination with my students during these shows.

I'm also looking forward to seeing David Bowers' new book on dollars. In a Coin World column, he has announced that the "underfeathers" on the 1878 8/7 Tail Feathers Morgan are not feathers at all ...hummm? They sure look like tail feathers to me! One look at several of these doubled hub varieties shows other parts of the coin's reverse design doubled also. More later.

I'm going to be much more careful about announcing the subjects I plan to cover in future newsletters. On at least two occasions, other writers have beat me to publication using the SAME topics and ...

Finally, readers are urged to get a copy of the April 13 issue of Numismatic News where Alan Herbert gives one of the best explanations of Type 1 and Type 2 mintmarks on 1979-S and 1981-S coins I have seen so far!

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